



My name is Craig Timpson. I am the Financial Manager for Galasso Materials LLC of East Granby CT. We own and operate a stone quarry and three blacktop plants on an 800 acre site and we are the town's second largest taxpayer.

With our 160 person union workforce, we manufacture stone and blacktop, as well as provide installation, or paving services to our customers (the single largest of which is the State of Connecticut.)

**I am here today to speak in favor of Senate Bill 931 An Act Concerning the Sales Tax Liability of Asphalt Manufacturers.**

The purpose of this bill is to simply clarify the sales tax liability of asphalt manufacturers irregardless of who installs the finished product. This bill **does not** represent a tax windfall for all blacktop companies, again, its intent is to merely level the playing field between competitors within the industry.

What is problem Senate Bill 931 is fixing?

Without this clarification two companies, buying and using identical machinery and manufacturing identical products are treated differently under the tax code simply based on who installs the end product. If your employees don't install more than 50% of your product, you get a manufacturers' use tax exemption, if your employees do install 50% or more, there is no tax exemption.

What would Galasso's easiest fix be to deal with this problem in the absence of SB 931? We could layoff 90 union workers and 6 management executives as we cease our installation activities. Clearly this is not the solution that we, or anyone in the state, would want to pursue. In light of the current economic times, these high paying jobs are important to our state's economy. Unfortunately, Galasso Materials simply cannot continue to compete on an uneven playing field with all of the other blacktop manufacturers in the state which is why I am here, speaking on behalf of Galasso Materials, and in favor of SB931.

I thank you very much for your time and your consideration of this important bill.